## Basic information

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|---|---|
| **2018/0091(NLE)**<br>NLE - Non-legislative enactments<br>Decision | Procedure completed |
| EU/Japan Economic Partnership Agreement<br>Accompanying procedure 2018/0091M(NLE)<br>**Subject**<br>6.20.03 Bilateral economic and trade agreements and relations<br>**Geographical area**<br>Japan | |

## Key players

### European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| INTA International Trade | SILVA PEREIRA Pedro (S&D) | 16/05/2018 |
| | Shadow rapporteur<br>HANSEN Christophe (PPE)<br>KAMALL Syed (ECR)<br>HIRSCH Nadja (ALDE)<br>SCHOLZ Helmut (GUE/NGL)<br>BUCHNER Klaus (Verts/ALE)<br>BEGHIN Tiziana (EFDD) | |

| Committee for opinion | Rapporteur for opinion | Appointed |
|---|---|---|
| ENVI Environment, Public Health and Food Safety | VĂLEAN Adina (PPE) | 17/10/2018 |
| TRAN Transport and Tourism | The committee decided not to give an opinion. | |
| AGRI Agriculture and Rural Development | Chair on behalf of committee SIEKIERSKI Czesław Adam (PPE) | 10/07/2018 |

### Council of the European Union

| Council configuration | Meetings | Date |
|---|---|---|
| Environment | 3666 | 2018-12-20 |

| | |
|---|---|
| European Commission | |

| Commission DG | Commissioner |
|---|---|
| Trade and Economic Security | MALMSTRÖM Cecilia |

## Key events

| Date | Event | Reference | Summary |
|---|---|---|---|
| 18/04/2018 | Preparatory document | COM(2018)0192 | Summary |
| 29/06/2018 | Legislative proposal published | 07964/2018 | Summary |
| 10/09/2018 | Committee referral announced in Parliament | | |
| 05/11/2018 | Vote in committee | | |
| 09/11/2018 | Committee report tabled for plenary, 1st reading/single reading | A8-0366/2018 | Summary |
| 11/12/2018 | Debate in Parliament | | |
| 12/12/2018 | Decision by Parliament | T8-0504/2018 | Summary |
| 12/12/2018 | Results of vote in Parliament | | |
| 20/12/2018 | Act adopted by Council after consultation of Parliament | | |
| 20/12/2018 | End of procedure in Parliament | | |
| 27/12/2018 | Final act published in Official Journal | | |

## Technical information

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| **Procedure reference** | 2018/0091(NLE) |
| **Procedure type** | NLE - Non-legislative enactments |
| **Procedure subtype** | Consent by Parliament |
| **Legislative instrument** | Decision |
| **Amendments and repeals** | Accompanying procedure 2018/0091M(NLE) |
| **Legal basis** | Treaty on the Functioning of the European Union TFEU 218-p6a<br>Treaty on the Functioning of the European Union TFEU 207<br>Treaty on the Functioning of the European Union TFEU 218-p7 |
| **Stage reached in procedure** | Procedure completed |
| **Committee dossier** | INTA/8/12821 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Committee draft report | | PE627.597 | 06/09/2018 | |

| | | | | |
|---|---|---|---|---|
| Amendments tabled in committee | | PE628.611 | 09/10/2018 | |
| Committee opinion | ENVI | PE625.210 | 18/10/2018 | |
| Committee report tabled for plenary, 1st reading/single reading | | A8-0366/2018 | 09/11/2018 | Summary |
| Text adopted by Parliament, 1st reading/single reading | | T8-0504/2018 | 12/12/2018 | Summary |

**Council of the EU**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Legislative proposal | 07964/2018 | 29/06/2018 | Summary |
| Document attached to the procedure | 07965/2018 | 29/06/2018 | |

**European Commission**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Preparatory document | COM(2018)0192 | 18/04/2018 | Summary |
| Document attached to the procedure | COM(2018)0193 | 18/04/2018 | |

**National parliaments**

| Document type | Parliament /Chamber | Reference | Date | Summary |
|---|---|---|---|---|
| Contribution | PT_PARLIAMENT | COM(2018)0192 | 24/09/2018 | |

**Additional information**

| Source | Document | Date |
|---|---|---|
| European Commission | EUR-Lex | |

**Final act**

Decision 2018/1907
OJ L 330 27.12.2018, p. 0001 Summary

# EU/Japan Economic Partnership Agreement

2018/0091(NLE) - 09/11/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on International Trade adopted the report by Pedro SILVA PEREIRA (S&D, PT) on the draft Council decision on the conclusion of the Agreement between the European Union and Japan on an economic partnership.

The committee responsible recommended that the European Parliament **give its approval** to the conclusion of the agreement.

As indicated in the explanatory memorandum accompanying the recommendation, the negotiations between the European Union and Japan on an Economic Partnership Agreement (EPA), which began on 25 March 2013, were concluded on 8 December 2017. On 17 July 2018, on the occasion of the EU-Japan Summit in Tokyo, the EU and Japan signed the EPA and the Strategic Partnership Agreement.

The European Parliament set out its negotiating priorities in its October 2012 resolution. The outcome of the negotiations reflects these priorities. Parliament was kept informed throughout the process and the Committee on International Trade closely followed the negotiations, from their preparation to the signing of the final agreement.

The EU-Japan EPA is of strategic importance. It is the most important bilateral trade agreement the EU has ever concluded: it covers almost a third of world GDP, almost 40% of international trade and affects more than 600 million people. Japan is the world's third largest consumer market, but only the EU's sixth largest trading partner.

This agreement will strengthen the current bilateral trade and political relationship.

The rapporteur considers that the agreement reached is balanced and comprehensive, and is of great economic value to the EU, its citizens and its businesses:

- it opens up new trade opportunities, in particular for sectors which, like agriculture, are not generally the main beneficiaries of trade agreements; once the agreement is fully implemented, Japan will have removed tariffs on 97% of goods from the EU;
- it includes many new features such as the commitment to the Paris Agreement on Climate Change, and chapters on corporate governance and SMEs;
- it fully respects regulatory law and protects public services.

This agreement has the potential to contribute to generating sustainable growth and decent jobs while promoting the EU's values and maintaining high standards in areas such as food safety, environmental protection and workers' rights.

# EU/Japan Economic Partnership Agreement

2018/0091(NLE) - 29/06/2018 - Legislative proposal

PURPOSE: conclusion of the economic partnership agreement between the European Union and Japan.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the agreement between the European Union and Japan on an economic partnership (EPA) has been signed and the agreement must now be approved.

CONTENT: the draft Council decision seeks **approval of the agreement between the European Union and Japan on an economic partnership**.

The objectives of the agreement are to liberalise and facilitate trade and investment and to promote closer economic relations between the Parties. The EU-Japan free trade agreement will create an open trade zone covering 600 million people and representing nearly a third of the world's GDP.

When fully implemented, the agreement:

- remove 99% of tariffs applied to EU exports to Japan and also remove several regulatory barriers;
- create significant new opportunities for EU agricultural exports by removing existing Japanese tariffs on products such as cheese or wines, while protecting EU intellectual property rights on Japanese markets;
- shall also open up services markets and significantly increase EU companies' access to Japanese public procurement markets.

The EPA is based on the highest standards of labour, safety, environment and consumer protection.

In order to ensure an efficient operation of the wine export facilitation system provided for in the Agreement, the Commission shall be authorised to temporarily suspend, on behalf of the Union and as provided for in the Agreement, the acceptance of self-certification of wine products as set out in the Agreement. The Commission should also be authorised to terminate that temporary suspension on behalf of the Union. The Commission shall also be empowered to terminate this temporary suspension on behalf of the Union.

The Commission shall also be empowered by the Council to approve, on behalf of the Union, certain modifications to the Agreement.

*For further details on the results of the negotiations, see also the summary of the Commission's original legislative proposal dated 18.4.2018.*

# EU/Japan Economic Partnership Agreement

2018/0091(NLE) - 18/04/2018 - Preparatory document

PURPOSE: to conclude the Economic Partnership Agreement between the European Union and Japan.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: Japan is the world’s third largest economy outside of the EU in terms of GDP, yet only EU's seventh largest trading partner. It has a population of over 127 million inhabitants with a very high purchasing power. It is a key market for European Union exporters, services providers and investors.

On 29 November 2012, the Council authorised the Commission to enter into negotiations for a Free Trade Agreement (FTA) with Japan. The Free Trade Agreement with Japan was renamed the "Economic Partnership Agreement" (the EPA) at the time of the conclusion of an agreement in principle on 6 July 2017.

On the basis of the negotiating directives adopted by the Council in 2012, the Commission has negotiated with Japan an ambitious and comprehensive Economic Partnership Agreement with a view to creating new opportunities and legal certainty for trade and investment between both partners. The texts of the EPA after the finalisation of the negotiations were published in December 2017.

CONTENT: the Commission called on the Council to adopt the Decision to conclude the Economic Partnership Agreement between the European Union and Japan.

In line with the objectives set by the negotiating directives, the Commission notably secured the following:

- **Liberalisation of imports**: Japan will liberalise 91% of its imports from the EU at entry into force of the Agreement. At the end of the staging period 99% of its imports from the EU will be liberalised, while the remaining imports (1%) will be partly liberalised through quotas and tariff reductions (in agriculture). In terms of tariff lines, Japan fully liberalises 86% of its tariff lines at entry into force, going up to 97% after 15 years. Major positive achievements for the EU include full liberalisation at entry into force for wines and sparkling wines, full liberalisation of other major agri-food exports (hard matured cheeses, pasta, chocolate, confectionery) over a transitional period; very significant concession achieving almost liberalisation for pigmeat over time; substantial improvement of market access conditions for EU exports of beef and all the other cheeses; as well as liberalisation of all European industrial exports, including old-standing priorities such as footwear and leather products.
- **Public procurement**: EU companies will be able to participate on an equal footing with Japanese companies in bids for procurement tenders in the 48 so-called 'core cities' of Japan with around 300.000 to 500.00 inhabitants. The agreement also removes existing obstacles to procurement in the railway sector.
- **Removal of trade barriers**: the removal of technical and regulatory trade barriers to trade is proposed in goods such as duplicative testing, in particular by promoting the use of technical and regulatory standards used in the EU in the sectors of motor vehicles, electronics, pharmaceuticals and medical devices as well as green technologies.
- **Trade in services**: the EPA includes a chapter on Trade in Services, Investment Liberalisation and Electronic Commerce and the related schedules of commitments, which go significantly beyond both parties' WTO commitments. The chapter includes cross-cutting rules on domestic regulation and mutual recognition, and sector-specific rules designed to ensure a level playing field for EU businesses.
- **Corporate governance**: for the first time in an EU trade agreement, there will be a specific chapter on corporate governance. It is based on the G20/OECD's Principles on Corporate Governance and reflects the EU's and Japan's best practices and rules in this area.
- **Intellectual Property Rights (IPR)**: the EPA sets out a high level protection of intellectual property rights, including with regard to the enforcement of these rights and including detailed provisions on copyright, providing for improved copyright protection.
- **Geographical Indications (GIs)**: it aims to ensure a high level of protection for EU GIs, with TRIPS Article 23 protection, for more than 200 foodstuffs and wines and spirits.
- **Sustainable development**: the EPA includes all the key elements of the EU approach on sustainable development and is in line with other recent EU trade agreements. It includes a comprehensive chapter on trade and sustainable development, which aims at ensuring that trade supports environmental protection and social development and promotes the sustainable management of forests and fisheries. The chapter also sets out how civil society will be involved in its implementation and monitoring. It also includes a commitment to implement the Paris Agreement on Climate Change as well as a dedicated review mechanism.
- **SMEs**: a specific chapter will enable smaller companies to benefit fully from the agreement, notably through increased transparency.
- **Wine exports**: the EPA also includes a comprehensive section on the mutual facilitation of wine exports with the approval of several oenological practices including priority additives of each side.

**Joint committee**: the EPA establishes a Joint committee that has as its main task to supervise and facilitate the implementation and application of the Agreement. It shall be comprised of representatives of the EU and of Japan who will meet once a year or in urgent cases at the request of either side.

BUDGETARY IMPLICATIONS: the EPA will have a financial impact on the EU budget on the side of the **revenues**. It will lead to an estimated loss of duties of EUR 970 million at the entry into force of the Agreement.

After the EPA is fully implemented (after 15 years from its entry into force) the yearly loss of duties is estimated to reach EUR 2.084 billion. This estimation is based on a projection of the evolution of trade for the next 15 years without any agreement. On the other hand, the EPA is not expected to have a financial impact on the EU budget on the side of the expenditures.

# EU/Japan Economic Partnership Agreement

2018/0091(NLE) - 18/04/2018

PURPOSE: to conclude the Economic Partnership Agreement between the European Union and Japan.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: Japan is the world's third largest economy outside of the EU in terms of GDP, yet only EU's seventh largest trading partner. It has a population of over 127 million inhabitants with a very high purchasing power. It is a key market for European Union exporters, services providers and investors.

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# EU/Japan Economic Partnership Agreement

2018/0091(NLE) - 12/12/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 474 votes to 152, with 40 abstentions, a legislative resolution on the draft Council decision on the conclusion of the Agreement between the European Union and Japan on an economic partnership.

Parliament **gave its consent** to the conclusion of the agreement.

The negotiations between the European Union and Japan on an Economic Partnership Agreement (EPA), which began on 25 March 2013, were concluded on 8 December 2017. On 17 July 2018, on the occasion of the EU-Japan Summit in Tokyo, the EU and Japan signed the EPA and the Strategic Partnership Agreement.

The objectives of the agreement are to liberalise and facilitate trade and investment and to promote closer economic relations between the Parties.

# EU/Japan Economic Partnership Agreement

2018/0091(NLE) - 20/12/2018 - Final act

PURPOSE: to approve the conclusion of the Agreement between the European Union and Japan for an Economic Partnership.

NON-LEGISLATIVE ACT: Council Decision (EU) 2018/1907 on the conclusion of the Agreement between the European Union and Japan for an Economic Partnership.

CONTENT: the Council approved the Agreement between the European Union and Japan for an Economic Partnership.

The EU-Japan Economic Partnership Agreement (EPA) was signed on 17 July 2018. The objectives of the agreement are to liberalise and facilitate trade and investment and to promote closer economic relations between the Parties.

The EPA is a comprehensive and ambitious trade agreement which, when fully implemented, will remove 99% of EU tariff lines and 97% of Japanese tariff lines.

The agreement will create new opportunities for EU agricultural exports by removing existing Japanese tariffs on products such as cheese or wine, while protecting EU intellectual property rights on Japanese markets. It will also open up services markets and significantly increase EU companies' access to Japanese public procurement markets.

The EPA is based on the highest standards of labour, safety, environment and consumer protection. It includes a specific commitment to the Paris Agreement on Climate Change and the chapters on corporate governance and SMEs. It fully respects regulatory law and protects public services.

In order to ensure an efficient operation of the wine export facilitation system provided for in the Agreement, the Commission should be authorised to temporarily suspend the acceptance of self-certification of wine products as set out in the Agreement. The Commission should also be authorised to terminate that temporary suspension on behalf of the Union;

Modifications of Annex 14-A and Annex 14-B to the Agreement through decisions of the Joint Committee established by the Agreement, following recommendations of the Committee on Intellectual Property established by the Agreement, shall be approved by the Commission on behalf of the Union. Where interested parties cannot reach an agreement following objections relating to a geographical indication, the Commission shall adopt a position on the basis of the procedure laid down in Article 57(2) of Regulation (EU) No 1151/2012 of the European Parliament and of the Council on quality systems for agricultural products and foodstuffs.

ENTRY INTO FORCE: 20.12.2018.